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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION

- and -

PACIFIC GAS AND ELECTRIC
COMPANY,

Debtors.

- ☒ Affects Both Debtors
☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company

Case No. 19-30088 (DM) (Lead Case)
Chapter 11
(Jointly Administered)

**SECURITIES LEAD PLAINTIFF'S
LIMITED OBJECTION TO SEVENTH
MONTHLY FEE STATEMENT OF
SIMPSON THACHER & BARTLETT LLP
FOR ALLOWANCE AND PAYMENT OF
COMPENSATION AND REIMBURSEMENT
OF EXPENSES FOR THE PERIOD OF
OCTOBER 1, 2019 THROUGH OCTOBER
31, 2019 [ECF NO. 5221]**

Objection Deadline: January 20, 2019 at 4:00
PM (Pacific Time)

(No hearing set)

1 Public Employees Retirement Association of New Mexico (“Lead Plaintiff” or “PERA”),
2 the court-appointed lead plaintiff in the securities class action captioned as *In re PG&E*
3 *Corporation Securities Litigation*, Case No. 18-03509 (the “Securities Litigation”) pending in
4 the U.S. District Court for the Northern District of California (the “District Court”), on behalf of
5 itself and the proposed class it represents in the Securities Litigation (the “Class”), together with
6 York County on behalf of the County of York Retirement Fund, City of Warren Police and Fire
7 Retirement System, and Mid-Jersey Trucking Industry & Local No. 701 Pension Fund, hereby
8 submit this limited and continuing objection (the “Limited Objection”) to the *Seventh Monthly*
9 *Fee Statement of Simpson Thacher & Bartlett LLP for Allowance and Payment of Compensation*
10 *and Reimbursement of Expenses for the Period of October 1, 2019 Through October 31, 2019*
11 (the “Seventh Fee Statement”) [ECF No. 5221] filed by Simpson Thacher & Bartlett LLP
12 (“Simpson Thacher”) in connection with its representation of certain defendants in the Securities
13 Litigation who are current and former independent directors (the “Independent Director
14 Defendants”) of the debtors in possession (the “Debtors”) in the above-captioned chapter 11
15 cases (the “Chapter 11 Cases”). In support of this Limited Objection, Lead Plaintiff relies upon
16 (a) *Securities Lead Plaintiff’s Limited Objection to Fourth Monthly Fee Statement of Simpson*
17 *Thacher & Bartlett LLP for Allowance and Payment of Compensation and Reimbursement of*
18 *Expenses for the Period of July 1, 2019 Through July 31, 2019 (ECF No. 4032)* (the “Initial
19 Objection”) [ECF No. 4351], which Lead Plaintiff incorporates herein by reference, and (b) the
20 declaration of Ty R. Sagalow submitted with the Initial Objection. Capitalized terms used but
21 not defined in this Limited Objection have the meanings given thereto in the Initial Objection. In
22 support of this Limited Objection, Lead Plaintiff respectfully states as follows:

LIMITED OBJECTION

For the reasons set forth in the Initial Objection, Lead Plaintiff objects to payment of any fees requested in the Seventh Fee Statement in connection with the defense of the Independent Director Defendants in the Securities Litigation (the “Disputed Fees”), including but not limited to the following:

10/31/2019	Calderon, Justin	Revise of letter to PERA (0.7); communications w/ team re: same (0.3).	1.00	\$700.00
10/23/2019	Alcabes, Elisa	Re D&O insurance, conf call w/ Weil (K. Kramer), Latham, client (R. Reilly) and STB (N. Goldin, J. Fell) re: PERA objection re: defense costs for securities claims (0.5).	0.50	\$610.00
10/23/2019	Goldin, Nicholas	Call w/ Weil re: fee objection briefing (0.4).	0.40	\$592.00
10/28/2019	Alcabes, Elisa	Re D&O insurance coverage issues, communications w/ STB team (N. Goldin, K. McLendon, J. Fell) re: PERA objection to fee application and next steps re: same (0.5); review draft fee application submission (0.1); email K. McLendon and J. Fell re: same (0.1).	0.70	\$854.00
10/21/2019	Fell, Jamie	Review and summarize PERA objection to fee statements (0.9).	0.90	\$895.50
10/23/2019	McLendon, Kathrine	T/c w/ J. Fell re: PERA-NM limited objection to STB 4th monthly statement, proposed response considerations and timetable (0.2); t/c w/ J. Fell re: update on call w/ Weil and Alcabes re: PERA-NM limited objection to STB 4th monthly statement (0.3).	0.50	\$610.00
10/24/2019	Fell, Jamie	Review D&O insurance and limits (0.5); correspondence w/STB re: fee objection response (0.3).	0.80	\$796.00

10/25/2019	McLendon, Kathrine	T/c w/ J. Fell re: proposed approach to D&O insurance and response to PERA limited objection (0.3).	0.30	\$366.00
10/25/2019	Alcabes, Elisa	Re D&O insurance coverage issues, communications w/ J. Fell re: PERA fee application objection, D&O coverage for securities claims, and next steps (0.8); further review PERA objection re: same (0.3).	1.10	\$1,342.00
10/25/2019	Fell, Jamie	Calls w/ E. Alcabes and K. McLendon re: D&O insurance, fee objection and response (0.9); research and outline re: response to fee objection re: August fee statement (0.8).	1.70	\$1,691.50
10/28/2019	McLendon, Kathrine	Meeting w/ M. Torkin, N. Goldin, E. Alcabes and J. Fell re: response to PERA-NM limited objection and next steps (0.4); review revised CNO on STB 4th statement and t/c w/ J. Fell and email E. Alcabes re: same (0.1).	0.50	\$610.00
10/28/2019	Goldin, Nicholas	Confer w/ team re: PERA fee objection (0.5).	0.50	\$740.00
10/28/2019	Fell, Jamie	Draft letter to PERA objection (0.9); draft email outline re: fee request and response to PERA (0.5).	1.40	\$1,393.00
10/29/2019	McLendon, Kathrine	Review draft letter to PERA-NM's counsel re: limited objection to STB 4th and emails w/ E. Alcabes and J. Fell re: comments (0.2).	0.20	\$244.00
10/29/2019	Alcabes, Elisa	Re D&O insurance coverage issues, review/revise draft letter to PERA counsel re: Simpson Retention Order and PERA objection (0.8); email w/ J. Fell and K. McLendon re: same (0.2).	1.00	\$1,220.00

1	10/29/2019	Fell, Jamie	Draft/revise letter to PERA re: objection (0.9); follow-up w/ N. Goldin, E. Alcabes and K. McLendon re: same (0.4).	1.30	\$1,293.50
2					
3	10/31/2019	Sparks Bradley, Rachel	Revise letter re: PERA fee objection (0.5); emails w/ J. Calderon, J. Fell re: same (0.2); emails w/ N. Goldin re: same (0.1).	0.80	\$876.00
4					
5					
6	10/31/2019	Fell, Jamie	Prepare overview and talking points for board discussion re: Proposed Ch. 11 Plan and PERA Objection (1.5); discussion w/ STB group re: same (0.7).	2.20	\$2,189.00
7					
8					
9					
10	10/1/2019	Curnin, Paul C.	Continue preparation of motion to dismiss (6.5).	6.50	\$10,660.00
11	10/1/2019	Blake, Stephen	Further revisions to joint motion to dismiss (4.5); communications w/ P. Curnin and N. Goldin re: same (0.5); emails w/ DPW re: same (0.5); email director defendants re: same (0.5).	6.00	\$7,950.00
12					
13					
14					
15	10/1/2019	Goldin, Nicholas	Revise MTD brief draft (2.2); communications w/ team re: brief (0.3).	2.50	\$3,700.00
16					
17	10/1/2019	Sparks Bradley, Rachel	Revise MTD brief (0.5); emails w/ J. Isaacman, K. Kinsel, R. Duran re: same (0.4); emails w/ S. Blake and E. Campbell re: same (0.4); emails w/ P. Curnin and N. Goldin re: client communication re: MTD brief (0.5).	1.80	\$1,971.00
18					
19					
20					
21					
22	10/1/2019	Campbell, Eamonn W.	Draft proposed order on motion to dismiss (1.0); revisions to draft motion to dismiss (4.5).	5.50	\$5,032.50
23					
24					
25	10/1/2019	Duran, Raul G.	Legal research re: MTD brief (2.2).	2.20	\$1,298.00
26	10/1/2019	Isaacman, Jennifer	Review motion to dismiss draft brief (1.0).	1.00	\$590.00
27	10/1/2019	Isaacman, Jennifer	Legal research (3.5) and write-up re: MTD (1.4).	4.90	\$2,891.00
28					

1	10/2/2019	Curnin, Paul C.	Further preparation of motion to dismiss (5.0).	5.00	\$8,200.00
2	10/2/2019	Blake, Stephen	Communications w/ team and DPW re: motion to dismiss arguments (0.5);	4.70	\$6,227.50
3			communications w/ MWE re: same (0.5); review key cases proposed by team (2.0);		
4			prepare updated draft insert for DPW (1.7).		
5	10/2/2019	Goldin, Nicholas	Revise MTD (1.5);	2.50	\$3,700.00
6			communications w/ team re: same (1.0).		
7	10/2/2019	Sparks Bradley, Rachel	Research for MTD (0.8);	1.30	\$1,423.50
8			emails w/ K. Kinsel, E. Campbell, S. Blake re: same (0.5).		
9	10/2/2019	Campbell, Eamonn W.	Revise draft motion to dismiss (2.5); draft proposed order granting motion to dismiss (0.7).	3.20	\$2,928.00
10	10/2/2019	Duran, Raul G.	Review offering documents (2.7).	2.70	\$1,593.00
11	10/2/2019	Kinsel, Kourtney J.	Review offering documents ISO MTD brief (1.0); prepare work product re: same (0.7).	1.70	\$1,003.00
12	10/2/2019	Isaacman, Jennifer	Review SEC filings for MTD (1.0); emails w/ team re: same (0.1).	1.10	\$649.00
13	10/3/2019	Curnin, Paul C.	T/c w/ DPW re: joint motion to dismiss (0.4); revise motion to dismiss papers (1.5).	1.90	\$3,116.00
14	10/3/2019	Blake, Stephen	T/c w/ DPW re: draft MTD (0.8); multiple communications w/ DPW re: draft MTD and supporting papers (0.5); communications w/ MWE re: drafts (0.4);	5.20	\$6,890.00
15			review updated draft from DPW (2.0); revise updated draft for directors (1.5).		
16	10/3/2019	Goldin, Nicholas	Revise MTD draft (1.0);	1.50	\$2,220.00
17			communications w/ team re: same (0.5).		

1	10/3/2019	Sparks Bradley, Rachel	Review comments from Latham re: MTD brief (0.3); emails w/ S. Blake and N. Goldin re: same (0.2).	0.50	\$547.50
2	10/3/2019	Campbell, Eamonn W.	Revise draft motion to dismiss (0.9).	0.90	\$823.50
3	10/3/2019	Campbell, Eamonn W.	Revise of draft motion to dismiss (2.4).	2.40	\$2,196.00
4	10/4/2019	Curnin, Paul C.	Final review of MTD draft (1.3).	1.30	\$2,132.00
5	10/4/2019	Kortright, Magallie	Collection of ECF filing for team review (0.1); preparation of court submissions for attorney review & electronic data update (0.5).	0.60	\$240.00
6	10/4/2019	Blake, Stephen	Review two updated drafts of joint motion to dismiss (2.8); provide directors' comments (1.0); review RJN, declaration and notice of motion drafts (1.2); multiple communications w/ DPW re: finalizing of MTD (0.4); additional communications w/ DPW re: finalizing of MTD (0.2); communications w/ P. Curnin re: preliminary statement (0.3); communications w/ R. Sparks Bradley and DPW re: Cravath comments and incorporate same (0.3); authorize filing (0.3).	6.50	\$8,612.50
7	10/4/2019	Goldin, Nicholas	Review MTD (0.5).	0.50	\$740.00
8	10/4/2019	Sparks Bradley, Rachel	Work on finalizing MTD brief (0.4); emails w/ S. Blake, E. Campbell, DPW re: same (0.5); review comments from Latham/Cravath re: MTD (0.3); emails w/ S. Blake re: same (0.2).	1.40	\$1,533.00
9	10/4/2019	Campbell, Eamonn W.	Finalize motion to dismiss (2.5).	2.50	\$2,287.50
10	10/4/2019	Campbell, Eamonn W.	Review of motion to dismiss brief (0.3).	0.30	\$274.50

10/5/2019	Kortright, Magallie	Preparation of parties MTD filings for attorney review (1.0); electronic data update, as per R. Sparks Bradley (0.9); c/f w/ R. Sparks Bradley re: same (0.1).	2.00	\$800.00
10/5/2019	Goldin, Nicholas	Review final MTD (0.5).	0.50	\$740.00
10/7/2019	Blake, Stephen	Draft update to director defendants re: MTDs (0.3).	0.30	\$397.50
10/15/2019	Campbell, Eamonn W.	Call w/ S. Blake re: reply brief preparations (0.2); draft outline of reply brief (0.2).	0.40	\$366.00
10/16/2019	Blake, Stephen	Prepare for motion to dismiss reply (0.4); t/c w/ E. Campbell re: preparing outline (0.1).	0.50	\$662.50
10/21/2019	Campbell, Eamonn W.	Draft outline of reply brief (0.2).	0.20	\$183.00
Total				\$109,411.50

CONCLUSION

For the reasons set forth in the Initial Objection, Lead Plaintiff respectfully requests that the Court enter an order (a) finding that the Debtors are prohibited from paying the Disputed Fees or any other defense costs incurred by the Independent Director Defendants in the Securities Litigation and (b) direct the Debtors and Independent Director Defendants to instead seek payment of the Disputed Fees (to the extent reasonable and necessary), and any other reasonable and necessary defense costs incurred by the Independent Director Defendants in the Securities Litigation, from the Side A D&O Coverage under the D&O Policies.

Dated: January 20, 2019

**LOWENSTEIN SANDLER LLP
MICHELSON LAW GROUP**

By: /s/ Randy Michelson
Randy Michelson (SBN 114095)

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EXHIBIT B
RESERVATION OF RIGHTS

This Limited Objection and any subsequent pleading, appearance, argument, claim, or suit made or filed by Lead Plaintiff, either individually or for the Class or any member thereof, do not, shall not, and shall not be deemed to:

- a. constitute a submission by Lead Plaintiff, either individually or for the Class or any member thereof, to the jurisdiction of the Bankruptcy Court;**
- b. constitute consent by Lead Plaintiff, either individually or for the Class or any member thereof, to entry by the Bankruptcy Court of any final order or judgment, or any other order having the effect of a final order or judgment, in any non-core proceeding, which consent is hereby withheld unless, and solely to the extent, expressly granted in the future with respect to a specific matter or proceeding;**
- c. waive any substantive or procedural rights of Lead Plaintiff or the Class or any member thereof, including but not limited to (a) the right to challenge the constitutional authority of the Bankruptcy Court to enter a final order or judgment, or any other order having the effect of a final order or judgment, on any matter; (b) the right to have final orders and judgments, and any other order having the effect of a final order or judgment, in non-core matters entered only after de novo review by a United States District Court judge; (c) the right to trial by jury in any proceedings so triable herein, in the Chapter 11 Cases, including all adversary proceedings and other related cases and proceedings (collectively, "Related Proceedings"), in the Securities Litigation, or in any other case, controversy, or proceeding related to or arising from the Debtors, the Chapter 11 Cases, any Related Proceedings, or the Securities Litigation; (d) the right to seek withdrawal of the bankruptcy reference by a United States District Court in any matter subject to mandatory or discretionary withdrawal; or (e) all other rights, claims, actions, arguments, counterarguments, defenses, setoffs, or recoupments to which Lead Plaintiff or the Class or any member thereof are or may be entitled under agreements, at law, in equity, or otherwise, all of which are expressly reserved.**

For the avoidance of doubt, Lead Plaintiff, on behalf of itself and the Class, does not, and will not impliedly, consent to this Court's adjudication of, including through any order of this Court purporting to adjudicate, release, waive, enjoin, or otherwise impact, the claims of Lead Plaintiff and the Class or any member thereof against any defendant now or hereafter named in the Securities Litigation.